

The complaint

Mr O complains that Barclays Bank UK PLC gave him misleading information about a balance transfer.

What happened

Mr O holds a credit card account with Barclays. In November 2023 he contacted Barclays via the online app to ask when his promotional interest free period would end. Around a year prior to this Mr O had made a balance transfer to the account of around £13,000.

The agent advised Mr O that his 0% purchase offer would end on 22 March 2025. Mr O said that the agent had referred to a purchase offer and asked if the end date of 22 March 2025 applied to balance transfers as well. The agent advised Mr O that he had a balance transfer offer available at 0% for fully indexed purchase rate with the maximum amount he could transfer being £3895.21, and that he could take advantage of this offer until 30 November 2023. Mr O queried this and explained that he had made a balance transfer in 2022. He asked whether the promotional offer for the balance transfer ended on 22 March 2025. The agent replied that this was correct and that the transfer offer would expire on 22 March 2025.

Following this, Mr O went online to try and make a balance transfer of £3895.21 to take advantage of what he thought was a 0% interest rate. Mr O couldn't find the option to do this, so he called Barclays and spoke to an agent, who explained that the first agent had meant that there was a 0% fee for a balance transfer of £3895.21 but that interest would be chargeable on the balance. Mr O said that the first agent had referred to a 0% interest rate on balance transfers. The second agent disagreed.

Mr O raised a complaint on the grounds that the first agent provided misleading information. Mr O asked for the offer to be made available to him or for compensation for the amount of interest he would now have to pay on the balance he intended to transfer.

Barclays upheld the complaint. It said that the agent hadn't given incorrect information but should have explained that the offer wasn't a 0% interest balance transfer but was a 0% fee balance transfer. Barclays apologised for any inconvenience caused to Mr O and credited his account with £50.

Mr O remained unhappy and brought his complaint to this service.

Following the referral of the complaint to this service, Barclays said it wasn't able to offer Mr O a 0% balance transfer but that it would like to offer a further £50 to resolve the issue.

Our investigator thought the offer was fair. Mr O didn't agree. He said the offer still resulted in financial loss to him. He said he wanted Barclays to honour the balance transfer at 0% interest or to compensate him for the interest payable on the sum he would have transferred had the offer been available. Mr O said the context of the chat with the agent was clear in that he was only talking about an interest free balance transfer, not about the balance transfer fee.

I issued a provisional decision in which I said as follows:

I've reviewed the "chat" record. The conversation began with Mr O asking about the expiry date of his interest free period on balance transfers. Initially the agent confirmed that the interest free period on purchases expired on 22 March 2025. Mr O asked whether this date applied for his balance transfer as well.

Up until this point in the conversation, and although the agent appeared to misunderstand Mr O's specific question, I don't think there is an issue with the information provided. However, when the agent responded to Mr O's question about the expiry of the interest free period on his balance transfer, the information provided by the agent related to a totally new offer, not the promotion that Mr O had already taken advantage of and which was applicable to his account.

The way in which the agent explained the offer - "a balance transfer offer available at 0% for fully indexed – purchase rate" - led Mr O to think that there was a new balance transfer offer available to him at 0% interest.

So Mr O found himself in a situation where his initial question about the expiry of his promotional offer hadn't been answered, and the information provided had led him to believe that there was a new balance transfer offer available to him at 0% interest.

I can see that Mr O attempted to clarify the information provided by the agent and asked whether the promotional period for his balance transfer ended on 22 March 2025. The agent replied that this was correct. From what I've seen, this information was correct.

I understand that Mr O then went on to try and avail himself of the new offer that the agent had told him about and found that it wasn't available.

The essence of Mr O's complaint is that the information he was given was misleading. I think the crux of this comes down to an interpretation of the words "*a balance transfer offer available at 0% for fully indexed – purchase rate.*"

Barclays has acknowledged that the agent could've been clearer, and I agree. It isn't entirely clear – from the words used by the agent – whether the offer related to a 0% balance transfer (i.e. no transfer fee) or to a transfer offer with a promotional interest rate of 0%.

Having spent some time thinking about the wording, the wording leads me to conclude that it could only have referred to a 0% balance transfer fee, because of the presence of the words "fully indexed – purchase rate". I say this because a purchase rate could only ever apply to purchases or balance transfers and would have no relevance in the context of a transfer fee. That said, I don't think it's reasonable to expect a consumer to understand that from the words used here.

I'm therefore of the view that the information was unclear.

Mr O has said that he doesn't agree that the agent was talking about another product and has questioned the existence of the product referred to. I disagree. Having read the chat conversation, I think it's clear that the agent was referring to another product (albeit needlessly) and I've seen information from Barclays who suggest that the offer referred to by the agent was available at the time (0% transfer fee with purchase rate on purchases/balance transfers).

I don't think the compensation offered is sufficient to reflect the distress and inconvenience caused to Mr O so I'm recommending that this is increased to a total of £150. I'm awarding

this sum for the poor service provided by Barclays when it gave unclear information to Mr O.

I invited both parties to let me have any further comments they wished to make or arguments they wished to raise.

Mr O didn't respond to my provisional decision, Barclays responded and said it accepted the provisional decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Neither party has raised any further arguments or made any comments in relation to my provisional decision. Barclays has accepted the provisional decision. In the circumstances, I see no reason to reach a different conclusion to that which I have already reached.

Barclays has asked whether it should pay the compensation to Mr O's Barclaycard account or to his bank account. Mr O will need to contact Barclays to confirm his choice and provide bank account details if appropriate.

Putting things right

To put things right, Barclays Bank UK PLC must pay total compensation of £150 to Mr O (less credit for any sums already paid).

My final decision

I uphold the complaint. Barclays Bank UK PLC must pay total compensation of £150 to Mr O (less credit for any sums already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 7 July 2024.

Emma Davy
Ombudsman